

ATTACHMENT A

American Recovery and Reinvestment Act Statement of Objectives

I. PURPOSE

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law by President Obama on February 17th, 2009. It is an unprecedented effort to jumpstart our economy, create and save millions of jobs, and put a down payment on addressing long-neglected challenges so our country can thrive in the 21st century. The Act is an extraordinary response to a crisis unlike any since the Great Depression, and includes measures to modernize our nation's infrastructure, enhance energy independence, expand educational opportunities, preserve and improve affordable health care, provide tax relief, and protect those in greatest need.

II. SCOPE

The scope of this contract includes consultation services provided to ED senior staff to assist in achieving the objectives included in Part II. Services will include, but are not limited to, identification of effective uses of ARRA funds for State Education Agencies (SEA) and Local Education Agencies (LEA); ongoing communication with key stakeholders and ED senior staff, analysis of ED designed assurance metric system, risk assessment, and strategic analysis.

III. PERIOD AND PLACE OF PERFORMANCE

The anticipated period of performance is for one 6-month base year. The place of performance will primarily be at the contractor's work site with regular meetings held at the LBJ Building at 400 Maryland Avenue, SW – Washington, DC.

IV. BACKGROUND

The ARRA provides approximately \$100 billion for education, creating a historic opportunity to save hundreds of thousands of jobs, support states and school districts, and advance reforms and improvements that will create long-lasting results for our students and our nation including early learning, K-12, and post-secondary education.

The overall goals of the ARRA are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of our nation. The success of the education portion of the ARRA will depend on the shared commitment and responsibility of students, parents, teachers, principals, superintendents, education boards, college presidents, state school chiefs, governors, local officials, and federal officials. Collectively, we must advance ARRA's short-term economic goals by investing quickly, and we must support ARRA's long-term economic goals by investing wisely, using these funds to strengthen education, drive reforms, and improves results for students from early learning through post-secondary education. Four principles guide the distribution and use of ARRA funds:

Spend funds quickly to save and create jobs. ARRA funds will be distributed quickly to states, local educational agencies and other entities in order to avert layoffs, create and save jobs and improve student achievement. States and local educational agencies in turn are urged to move rapidly to develop plans for using funds, consistent with the law's reporting and accountability requirements, and to promptly begin spending funds to help drive the nation's economic recovery.

Improve student achievement through school improvement and reform. ARRA funds should be used to improve student achievement. In addition, the State Fiscal Stabilization Fund (SFSF) provides funds to close the achievement gap, help students from all backgrounds achieve high standards, and address four specific areas that are authorized under bipartisan education legislation – including the Elementary and Secondary Education Act and the America Competes Act of 2007:

- Making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including English language learners and students with disabilities;
- Establishing pre-K-to college and career data systems that track progress and foster continuous improvement;
- Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need;
- Providing intensive support and effective interventions for the lowest-performing schools.

Ensure transparency, reporting and accountability. To prevent fraud and abuse, support the most effective uses of ARRA funds, and accurately measure and track results, recipients must publicly report on how funds are used. Due to the unprecedented scope and importance of this investment, ARRA funds are subject to additional and more rigorous reporting requirements than normally apply to grant recipients.

Invest one-time ARRA funds thoughtfully to minimize the "funding cliff." ARRA represents a historic infusion of funds that is expected to be temporary. Depending on the program, these funds are available for only two to three years. These funds should be invested in ways that do not result in unsustainable continuing commitments after the funding expires.

V. PERFORMANCE OBJECTIVE/REQUIRED RESULTS

TASK 1 – Technical Assistance

Ensuring the ARRA funds disbursed are applied to programs with the greatest need and potential for maximizing return on investment is critical. The contractor shall develop a process for states to use to help identify and prioritize areas of opportunity to maximize the effectiveness of ARRA funds. This process shall be outlined by program at the SEA and LEA level. This process shall be documented and ready for dissemination no later than 60 days following the contract award.

TASK 2 – Strategic Plan for Liaison

The contractor shall develop a strategy for interacting, in a non-obtrusive manner, with ARRA recipients and key stakeholders to obtain information necessary for ED to ensure the objectives of the ARRA are achieved.

TASK 3 – Metric System Analysis

Transparency and accountability in the use of ARRA funds is absolutely critical. In response, ED has developed a series of assurance metrics to measure and track results of the states receiving ARRA funds. The contractor shall review and make recommendations on the assurance metrics and develop a process for compiling the data required for each metric to enable ED to report results on a “scorecard.” Recommendations shall include an identification of deficiencies (if any) that may jeopardize the Department’s ability to successfully manage the effective use of ARRA funds.

TASK 4 – Risk Management

The contractor shall perform an initial risk assessment with recommendations to mitigate fraud, waste, and abuse of ARRA funds. In addition, the contractor shall develop a strategy/process for monitoring risk on an ongoing basis and an action plan to enable ED to respond accordingly to identified risks.

TASK 5 – Management of ARRA Program

The distribution of ARRA funds will be made using a multi-phased schedule. Secretary Duncan has announced \$44 billion of Recover Act funds will be distributed within 30-45 days with the balance to be distributed in the fall of 2009 and spring of 2010. The contractor, throughout the distribution process, will make recommendations to enhance the management program and distribution strategy employed by ED staff to ensure the goals of ARRA are met/exceeded.

VI. PROGRAM OBJECTIVES

The President and Congress have repeatedly stressed the importance of transparency and accountability in the use of ARRA funds. To that extent, the following objectives have been developed to ensure good stewardship of taxpayer dollars:

- Recovery funds are awarded and distributed in a prompt, fair, and reasonable manner;
- The recipients and uses of all recovery funds are transparent to the public, and that the public benefits of these funds are reported clearly, accurately, and in a timely manner;
- Recovery funds are used for authorized purposes and every step is taken to prevent instances of fraud, waste, error, and abuse;
- Projects funded under the recovery legislation avoid unnecessary delays and cost overruns; and,

- Programs meet specific goals and targets, and contribute to improved performance on broad economic indicators

VII. Operating Constraints - NONE